## STATE OF SOUTH CAROLINA

## BEFORE THE PUBLIC SERVICE COMMISSION

## **DOCKET NO. 2018-1-E**

In re: Annual Review of Base Rates for Fuel Costs of Duke Energy	)	PETITION TO INTERVENE
Progress, LLC	)	
	)	

The South Carolina Coastal Conservation League ("CCL") and Southern Alliance for Clean Energy ("SACE") (collectively, the "Conservation Groups") respectfully petition the Public Service Commission of South Carolina ("Commission") to intervene in the above-captioned docket pursuant to R.103-825 of the Commission's rules of practice and procedure. In support of this petition, Petitioners state as follows:

- The Commission opened this proceeding pursuant to S.C. Code Ann.
   Section 58-27-865, which establishes the procedure for annual hearings for the
   Commission and all interested parties to review the fuel purchasing practices and policies
   of Duke Energy Progress, LLC ("the Company") and for the Commission and the
   Company to make adjustments as necessary.
- 2. S.C. Code Ann. Section 58-27-865 provides the procedure for review and recovery of fuel costs and of "incremental and avoided costs of distributed energy resource programs and net metering as authorized and approved under Chapters 39 and 40, Title 58[, which] shall be allocated and recovered from customers under a separate distributed energy component of the overall fuel factor that shall be allocated and recovered based on the same method that is used by the utility to allocate and recover variable environmental costs."

- 3. S.C. Code Section 58-39-140 of the South Carolina Distributed Energy Resource Act and Commission Order 2015-194 allow the Company to recover certain reasonable and prudent costs incurred to implement approved distributed energy resource ("DER") programs, including certain costs related to net energy metering ("NEM"). Recoverable costs are capped in Section 58-39-150 "[f]or the protection of consumers and to ensure that the cost of DER programs do not exceed a reasonable threshold."
- 4. Pursuant to the South Carolina Distributed Energy Resource Act and the Settlement Agreement approved by the Commission in Order No. 2015-194, Docket No. 2014-246-E, the Company will also compute and update annually the "costs and benefits of net metering and the required amount of the DER NEM Incentive" coincident in time with the Utility's filing under the fuel clause.
- 5. This Petition to Intervene is timely filed, as the Commission has established an intervention deadline of March 23, 2018 for this proceeding.
- 6. The South Carolina Coastal Conservation League ("CCL") is a nonprofit organization whose mission is to protect the natural environment of the South Carolina coastal plain and to enhance the quality of life in their communities by working with individuals, businesses and government to ensure balanced solutions. CCL supports the development of energy policy that is in the public interest of South Carolinians. CCL has members from across the State, including members who receive electricity service from Duke Energy Progress, LLC and will be impacted by the decisions made in this proceeding regarding renewable energy and the recovery of fuel costs and incremental and avoided costs of distributed energy resource programs and net metering. The address of CCL's main office is 328 East Bay Street, Charleston, SC 29402.

- 7. Southern Alliance for Clean Energy ("SACE") is a nonprofit organization whose mission is to promote responsible energy choices that create global warming solutions and ensure clean, safe and healthy communities throughout the Southeast. SACE and its members are interested in promoting greater reliance on clean energy resources to meet the South's energy needs. Like CCL, SACE has members from across the State, including members who receive electricity service from the Company and will be impacted by the decisions made in this proceeding regarding renewable energy and the recovery of fuel costs and incremental and avoided costs of distributed energy resource programs and net metering. The principal address of SACE is P.O. Box 1842, Knoxville, Tennessee 37901. SACE also has offices in Florida, Georgia, North Carolina and South Carolina.
- 8. The Conservation Groups have participated as intervenors in multiple Commission proceedings relating to the implementation of the South Carolina Distributed Energy Resource Act, including Docket Nos. 2014-246-E, 2015-53-E, 2015-54-E, 2015-55-E, 2015-203-E, 2015-204-E, 2015-205-E, 2015-362-E, 2016-1-E, 2016-2-E, 2016-3-E, 2017-1-E, 2017-2-E, 2017-3-E, and 2018-2-E.
- 9. The Conservation Groups and their members have direct and substantial interests that will be impacted by the decisions made in this proceeding regarding renewable energy and the recovery of fuel costs and incremental and avoided costs of distributed energy resource programs and net metering, and their interests cannot be adequately addressed by any other party. The Conservation Groups' position in this proceeding is to advocate for a full and proper valuation of NEM generation and appropriate cost recovery consistent with the Settlement Agreement approved in Docket

2014-246-E that will accurately reflect and support an effective and diversified portfolio of distributed energy resources and lead to cleaner, safer, and healthier communities for all South Carolinians. The Conservation Groups' support for these policies and involvement in this proceeding will promote their members' interests as well as the broader public interest. Petitioning to intervene in this proceeding is also consistent with the Commission's policies encouraging maximum public participation in the issues before it.

10. Pursuant to R. 103-804(T) of the Commission's Rules of Practice and Procedure, the Conservation Groups are represented by counsel in this proceeding:

James Blanding Holman IV Southern Environmental Law Center 463 King St. – Suite B Charleston, SC 29403 Telephone: (843) 720-5270

Fax: (843) 720-5240

Email: bholman@selcsc.org

WHEREFORE, Petitioners pray that they be allowed to intervene as a party of record and participate fully in this proceeding.

Respectfully submitted this 23<sup>rd</sup> day of March, 2018.

/s/ J. Blanding Holman, IV
J. Blanding Holman, IV
SC Bar No. 72260
Southern Environmental Law Center
463 King St. – Suite B
Charleston, SC 29403
Telephone: (843) 720-5270

Fax: (843) 414-7039

Attorney for Petitioners South Carolina Coastal Conservation League and Southern Alliance for Clean Energy

## CERTIFICATE OF SERVICE

I hereby certify that the parties listed below have been served via electronic mail with a copy of the *Petition to Intervene* of the South Carolina Coastal Conservation League and Southern Alliance for Clean Energy.

Andrew M. Bateman, Esq. Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, SC 29201 abateman@regstaff.sc.gov

Heather S. Smith, Esq.
Duke Energy Progress, LLC
40 W. Broad St., Suite 690
Greenville, SC 29601
Heather.smith@duke-energy.com

Frank R. Ellerbe, III, Esq. Robinson, McFadden & Moore, P.C. P.O. Box 11449 Columbia, SC 29202-0944 fellerbe@sowellgray.com Jenny R. Pittman, Esq. Office of Regulatory Staff 1401 Main Street, Suite 900 Columbia, SC 29201 jpittman@regstaff.sc.gov

Rebecca J. Dulin, Esq.
Duke Energy Progress, LLC
1201 Main Street, Suite 1180
Columbia, SC 29201
Rebecca.Dulin@duke-energy.com

Robert R. Smith, Esq. Moore & Van Allen, PLLC 100 North Tryon Street Suite 4700 Charlotte, NC 28202 robsmith@myalaw.com

This 23<sup>rd</sup> day of March, 2018.

<u>s/ Anna M. Crowder</u> Anna M. Crowder